

PART IV: AGENDA FOR THE FUTURE

USAID should develop and disseminate models and train USAID, PVO and NGO staff on the use of performance-based assistance instruments.

The primary finding of this Assessment is that the USAID/PVO partnership has grown stronger over the past four years. USAID and PVO staff, in their respective headquarters and in the field, were in consensus on this improved relationship. Through joint efforts to improve consultation and program collaboration, and notwithstanding unprecedented budget cuts and fundamental changes in the context for relief and development activities, the Agency and private voluntary community have built a strong foundation for continued improvements in the partnership.

In concluding their term of service, members of the Advisory Committee on Voluntary Foreign Aid, despite some concerns, are optimistic that USAID and PVOs will continue to strengthen the partnership. Committee members recommend that such efforts be informed by this Assessment. Drawing on the study findings, ACVFA encourages USAID to address the following issues as preeminent in advancing the USAID/PVO partnership in the near term, and suggests that its successor Advisory Committee provide fora for public discussion and recommendations on resolving these issues.

A. USAID should stay the course with reforms and efforts to strengthen its relationship with PVOs, should better communicate the nature and substance of these reforms, and should focus on consistent Agency-wide implementation.

Reform is a long-term process. Attempts to institutionalize fundamental change in the relationship between an embattled government agency stretched across the globe, and more than four hundred PVOs of significantly different sizes, interests, and capabilities, will take longer than four years. The unevenness of change within USAID and the lack of full awareness and impact of Agency reforms within the PVO community suggest that USAID should continue to communicate the reforms that have been instituted and focus on removing barriers to their effective implementation. In this regard, for example, USAID should provide guidance and training to Agency and PVO staff on how to engage in consultation (particularly on Strategic Objective teams) without affecting procurement integrity.

B. USAID should develop and disseminate models and train USAID, PVO and NGO staff on the use of performance-based assistance instruments.

USAID reengineering and procurement reform intersect dramatically in the need for more widespread design and use of performance-based grants and cooperative agreements. In response to the findings of both the CDIE management assessment and this study regarding inconsistent USAID application of funding instruments, USAID should improve procurement and reengineering training programs for both USAID and PVO staff. ACVFA can play a useful role in review-

ing the findings of this Assessment with the Office of Procurement and in encouraging greater USAID development of, and training in, performance-based assistance instruments.

C. USAID should focus more intentionally on the need for local NGO strengthening and on its implications for the USAID/PVO partnership. USAID and PVOs should capitalize on their past collaboration in building civil society across development sectors. ACVFA should continue to engage the Agency on the question of innovative approaches to strengthening civil society as a vital component of broad-based sustainable development.

The most consistent response from USAID and PVOs in this Assessment was the importance of strengthening local NGOs, and respondents spoke positively of collaborative efforts to strengthen civil society. Local NGO empowerment is one of the New Partnerships Initiative's three foci and the Office of Private and Voluntary Cooperation has made strengthening partnerships between PVOs and local NGOs an important part of its strategy. Nevertheless, there is no specific locus of attention to indigenous NGOs in USAID/Washington, nor a USAID Policy paper on NGOs. USAID should examine ways in which the tripartite relationship among USAID, PVOs and NGOs is evolving and could improve. Given the role PVOs play in strengthening local NGOs and civil society across sectors, and

because of the importance of this issue to the USAID/PVO partnership, ACVFA should help serve as a catalyst for continued attention to innovative approaches to strengthening civil society, such as those developed under the New Partnerships Initiative.

D. USAID should document and disseminate USAID/PVO partnership "best practices," including examples of USAID/PVO collaboration to strengthen local NGOs. All three communities should participate in developing appropriate capacity building indicators.

The assessment elicited examples of USAID/PVO collaboration that embody the best aspects of a working partnership. As USAID and PVOs continue to work together in the context of scarce financial and staff resources, and as USAID reengineering continues to require new behaviors, wide dissemination of best practices will be increasingly important. USAID and ACVFA should ensure that partnership best practices are documented, communicated broadly, and replicated to the fullest extent possible. These best practices should also be incorporated in USAID and PVO reengineering training.

Consistent with the strategic importance of local NGOs, with the core values of reengineering and with the New Partnerships Initiative, USAID and its PVO and NGO partners should work together to develop appropriate indicators for mea-

USAID and its PVO and NGO partners should work together to develop appropriate indicators for measuring long-term capacity building of civil society institutions.

sure long-term capacity building of civil society institutions. USAID should aggressively promote broad Agency-wide dissemination of, and training on, successful methodologies for developing such indicators and should ensure that the results orientation does not preclude long-term institution building activities.

E. Consistent with reengineering, USAID and its PVO partners should establish key indicators for the state of the USAID/PVO partnership based upon data categories and other measures agreed to by USAID and PVOs.

The issue of utilizing USAID procurement and/or budget data as indicators of the USAID/PVO partnership should be resolved as soon as possible. Accurate, accessible data is fundamental to sound decisionmaking and is important to USAID's credibility with the PVO community, particularly in the context of Vice President Gore's "40% commitment" and USAID's support of this promise.

USAID, the PVO community and the next ACVFA should also monitor trends regarding the size of USAID procurements and a relatively small number of PVOs receiving a large share of PVO awards. In particular, the Agency and PVOs should explore ways in which smaller PVOs can partner more effectively with USAID. Diversifying the Agency's portfolio with the private voluntary community would also help increase the constituency for foreign assis-

tance across a broader spectrum of Americans who support or are members of these PVOs.

Because of the Advisory Committee's mandate to advise the Agency on USAID/PVO partnership issues, Agency responsiveness to ACVFA recommendations provides another potential source of indicators on the state of the partnership. The quarterly status report on ACVFA recommendations (attached as Appendix I), part of which PVC has selected as an indicator of the USAID/PVO partnership in its strategic plan, should be examined for its usefulness in developing Agency indicators of the USAID/PVO partnership.

F. USAID should finalize policies and practices for Strategic Partnerships in non-presence countries.

The PVO community, and some Agency staff interviewed in this study, believe that USAID has not been sufficiently forthcoming with information on country closings and USAID-PVO collaboration in non-presence countries. USAID is expected to continue reducing its overseas presence and it is clearly in the U.S. national interest that American PVOs representing people-to-people development programs remain engaged in countries where a more formal government-to-government development relationship ends. USAID should ensure that Strategic Partnership policies and practices allow for a smooth transition and for ongoing PVO involvement following country close-outs.

USAID should finalize policies and practices for Strategic Partnerships in non-presence countries.

G. Education and outreach to the U.S. public on international development and foreign assistance should assume greater preeminence in the USAID/PVO partnership. USAID and PVOs should collaborate more purposefully in this area of mutual interest and responsibility.

It is in USAID's and PVOs' mutual interest to increase public understanding and support of foreign assistance. PVOs are directly linked to the U.S. public and require direct public commitment and support in order to maintain their "privateness" and to continue implementing programs; USAID's continued existence and ability to fund PVOs is also dependent on the public's commitment to international engagement. This complementarity of interests—and the low levels of public understanding and support for foreign assistance—suggests that development education and outreach should be a central issue in the USAID/PVO partnership. In elevating this critical partnership issue, USAID and PVOs should explore how the private voluntary community's comparative advantage in implementing "people-to-people" programs can be maximized in public outreach initiatives in order to put a human face on development; PVOs should examine the extent to which they have incorporated education and outreach in their organizational missions and strategic planning; and joint USAID/PVO approaches to PVO capacity building should include development education and outreach, particularly in sectors such as environment, women's empowerment,

microenterprise, and child welfare that have strong domestic counterparts.

H. ACVFA should reach out more broadly to USAID staff and to PVOs and NGOs.

The Advisory Committee is an effective tool for stimulating dialogue between USAID and the PVO community, a tool that might be employed to address the Assessment findings that USAID/PVO consultation is uneven in Washington and within and among Missions. The next Advisory Committee should consider new ways of reaching out more broadly to USAID/Washington bureaus and Missions, in order to increase USAID sensitivity to the capabilities, interests, and concerns of PVOs. While Washington-based, ACVFA might engage selected Missions in dialogue, in an effort both to learn how the USAID/PVO consultative process works best overseas, and as a stimulus for Missions to pay greater attention to PVO consultation and collaboration. Visiting Mission staff should be invited to make presentations at quarterly ACVFA meetings to help ensure greater Agency-wide implementation of policies and practices affecting the USAID/PVO partnership. ACVFA also should make a concerted effort to reach out to indigenous NGOs and NGO coalitions, both by seeking NGO participation in future meetings and by including NGO/PVO partnership issues more prominently in its agenda.

It is in USAID's and PVOs' mutual interest to increase public understanding and support of foreign assistance.

I. USAID and PVOs should continue to ensure that partnership continues to be the goal of their relationship.

As this Assessment has documented, although the overall picture and trends are positive, there are external and internal pressures that work against “partnership,” particularly pressures that unwittingly encourage USAID to give prefer-

ence to contract mechanisms and relationships. The pressure for short-term results in a long-term business; for USAID-initiated activities, rather than joint or PVO-initiated activities; the substantial reductions in both financial resources and in USAID direct-hire staff all could—but need not—work against partnership relationships. USAID and PVOs, and ACVFA, should monitor this issue closely in the coming months and years.

